JANUARY 1984 • $3.00

MARKETING & MEDIA Decisions

Split 30's go to court
Page 47

Magazine changelings
Page 54

Media/creative; a tighter bond
Page 58

Office automation brand report
Page 103

Guest Editor James Brunson, Corporate Vice President advertising services, AT&T. A corporation in transition.
Page 56

CONTENTS

JANUARY 1984, VOL. 19, NO. 1

Guest Editor James L. Brunson, corporate vice president, advertising services, American Telephone & Telegraph Company

Features

47 Split 30's go to court
Maverick advertiser Alberto Culver takes CBS to court over split 30's. Meanwhile affiliates grow restless.

50 SAU's jam computers
As newspapers prepare for shift from lines to inches. The final phase involves reprograming computers.

52 Cable disconnects
Some call it churn, but its a worry when 27% of subscribers are turned off to cable after finding fare wanting.

54 Magazine changlings
Some magazines have decided to upgrade audience by changing well established editorial formats.

56 Ma Bell's new family
Old familiar AT&T came out of court with more parts than ever. Guest editor Jim Brunson explains how AT&T tells this to the public.

58 Media and creative cuddle up
Creative people go to media people earlier to get signals straight.

60 RAB's new honcho
Bill Stakelin's job is keeping radio red hot as he succeeds the legendary Miles David.

62 Adman of the year
Philip Morris' Jim Thompson took the plaque for guiding the advertising that gave PM sales leadership.

64 Positioning hits Hollywood
The movie industry has found audience segmentation in a big way.

91 Special Report Pt. I
The previous year favored the biggest in agency business.

97 Special Report Pt. II
The year before 1984 was a confusing one for some of media.

103 Brand Report 94: Office Automation
Microcircuitry attacks the business world and bedazzled office managers.

Focus on . . .

Magazine changelings
(page 54)

RAB's new honcho
(page 60)

Brand report
(page 106)

Departments

2 Guest Editorial
6 Focus on Marketing
10 Campaigns
17 Print Beat
20 Newsmakers
26 New Electronic Media
30 Buying Assignments
32 Update
33 DC
36 Futures
40 New in Media
44 Homework
119 Broadcast Beat
122 Cost Trends

70 As We See It

As They See It

72 Mediology
74 Magazines
76 Research
80 Television
82 Business to Business
84 Cable
87 Radio

MARKETING & MEDIA DECISIONS (ISSN0195-4296) JANUARY 1984, Vol. 19, No. 1 Copyright © 1984. Decisions Publications Inc. Published 14 times. Executive, editorial, circulation and advertising offices at 1140 Ave. of Americas, New York, N.Y. 10036 (212) 391-2155. **Available** without charge to those personally involved in media decisions at major agencies and advertiser companies. For others, subscription prices are: U.S.A. $40 for 14 issues. Canada $50. Overseas $52 (surface mail). Airmail — add $52. Single copy $3.00. All overseas copies are paid. Second-class alternative B postage paid at Burlington, Vt. **Postmaster:** Send form 3579 to Marketing & Media Decisions, 1140 Ave. of Americas, New York, N.Y. 10036.

UPDATE

More upscale cigarettes

Always eager to expand its brand lines, R.J. Reynolds is putting a new cigarette into test, Sterling, a low tar premium brand, and extending Century.

The test Sterling starts this month in Florida. (See: *Brand report 81: cigarettes*, November 1982, pg. 151).

According to Harold Lees, vp, new brands, "Sterling represents the epitome of premium product quality for a growing segment of smokers who appreciate the finer things in life."

Sterling is new cigarette from R. J. Reynolds now in test.

Media for the test will be magazines, newspapers, outdoor and in-store, developed by Ted Bates Advertising. Creative features the pack in a variety of prestigious settings. Packaging is in a black box framed with silver and grey pinstripes, and was designed by Schecter, Inc. The brand will be available in filter and menthol styles. Target audience is dual, ages 25 to 49.

At the other end of the price line, Reynolds is introducing its 25 unit pack brand, Century, in a 100 mm size.

James W. Johnston, executive vp at Reynolds, said the two launches came from market segmentation research which showed two new consumer categories. He said, "Basically, with these two new products, we are appealing to the smart consumer, whether smart about getting more product for the money or getting premium quality without premium price. Consumers see the economy improving but have learned to stretch their dollars by being more selective with their purchases. An example is the purchase of new cars. The automobiles that are selling best are the smaller cars that offer more options for the money or the larger, more expensive cars that represent prestige and are known to have premium quality. We expect this trend toward high quality and value to continue."

Johnston added, "We introduced Century first because we knew we'd have a preemptive position in the marketplace. It will take the competition a long time to catch up with our success."

Sterling was developed and refined over a period of two years, he said, because "we wanted to introduce the highest quality, most prestigious product on the market."

Competition heats up for MTV

If imitation is the sincerest form of flattery, Warner Communications' MTV should be very flattered, and possibly a little worried. (See: *MTV rocks cable*, August 1983, pg. 66).

In addition to programing competition from the networks and indies in various time slots, software producers are now entering the fray. Sony's video software division announced last month it will develop a home music video software industry in conjunction with MTV.

Sony senior vp Dick Komiyama commented, "MTV has launched the first phase of the music video revolution by offering stereo music video 24 hours a day. We, at Sony, are spearheading the second phase by making music video programing available to the home video fan at affordable prices."

The Sony video software operation started advertising video 45s (short length stereo music video cassettes) on a daily rotation schedule.

Komiyama added, "We feel that our activity together with the increased exposure of MTV will create a strong home music video software industry."

A more competitive move is Star Video Music's launch on January 1, of an adult alternative to MTV's programing. Target group for Star Video will be the 25 to 54 age group. Star Video officials expect facilities to be complete for a Jan. 1 uplink, but admit it will go right down to the wire.

Seagram takes wine from Coke

The Coca-Cola Company was $200 million richer last month after it formally sold its Wine Spectrum to Joseph Seagram & Sons. (See: *Brand report 89: Wine*, August 1983, pg. 115.)

The sale includes Sterling Vineyards, the Monterey Vineyard and the Taylor Wine Co. Major brands are Taylor California Cellars, Great Western Champagne and Taylor Champaign. The Wine Spectrum was under Coca-Cola's aegis, one of the major spenders in media in the retail wine market. Taylor was instrumental in developing the light wine segment. At Seagram, the Wine Group will be set up to include the Wine Spectrum and the Seagram Wine Company.

Correction

Hasbro Toys was inadvertantly identified in the November issue as having suffered second quarter losses in the Toy and Game brand report. Hasbro was in fact in the black in the second quarter of 1983.

Stuart M. Gross

Audience segmentation hits Hollywood

Sneak previews and trailers give movie makers an advance notion of which audiences will be receptive to a new motion picture. Using that sense of positioning, movie advertisers then plan national and regional strategies.

Christmas came early for the movie industry this year. And if box office takes continue at the same pace, 1983 will be a record breaking year.

It can hardly come as a surprise that the movie industry weathered the recession well — better, in fact, than almost any other industry. The main reason for the sustained health of the industry in a time when just about everyone else was cutting back is simple. Instead of investing in big ticket items, many consumers diverted their disposable income in the cheapest form of out-of-home entertainment — the movies.

Movie marketers tend to look at the first weekend box office results to determine the overall success of a film. Recently, there had been some consternation on initial results for *The Right Stuff* — marketers felt the initial results had been poor because the public followed the press' lead in perceiv-

ing the film as a political vehicle. What the emphasis on the first few days of a film's run means, then, is that advertising for that period — the launch — must maximize impact. This is not a novel idea in Hollywood. Marketers began heavying up their television expenditures 10 years ago. The proportion of a film's budget going into that medium has been increasing steadily ever since.

It seems Hollywood has its fingers on the pulse of America's movie-going public. Box office intakes have continued to rise, from $2,748,500,000 in 1980, to $2,965,600,000 the following year, hitting a record $3,452,700,000 in 1982. The first nine months of 1983 have already exceeded the previous nine month period, with box office totaling $2,937,000 — a 7% increase. According to Jack Valenti, president of the Motion Picture Association of America, even if Christmas 1983 were to remain at an unlikely equilibrium with Christmas 1982, fourth quarter intakes would push the 1983 totals to a record of $3,650,000,000, or about $200 million more than last year.

Hollywood also has its hands in the moviegoer's pocket. Ticket prices have been on the rise, from an average price of $2.83 in 1981, to $3.00 in 1982. But ticket price increases do not account for the sustained prosperity of the industry. Hollywood is simply giving the consumer what he wants, according to MPAA vice president, Kent Clark.

On the other hand, the average production cost of films is on the rise. *Variety*, the trade weekly, reports that costs have risen 15%, from an average of $9,700,000 for 1983 movies, to $11,300,000 for 1984.

Advertising costs have been rising, but not as rapidly. Since ad budgets are determined independently for each release, they are a more flexible factor than production costs. In addition, the mix between broadcast, used heavily in the initial launch, and print, relied on for the sustaining campaign, allows the distribution company to plough box office returns back into the sustaining advertising budget.

Variety cites an estimate of $5 million to $8 million as the "current guesstimate" for advertising budgets per film. Leading National Advertisers, on the other hand, shows traceable outlays in the more reasonable $2 million to $3 million range for the six major studios. However, the large expenditures in local newspapers, which remain untraceable, could push a film into the higher range returns fuel a substantial sustaining campaign.

Because there is a fairly close correlation between production costs and advertising expenditures, larger budget films tend to be backed by more advertising support. Low budget films are burdened with having to prove themselves at the box office before the distributor is willing to provide advertising.

Steven Kasloff, executive vp, advertising and creative director at Columbia Pictures, says that trailers, the portion of a film used for previews, provide a means for the film distributor to test target audience.

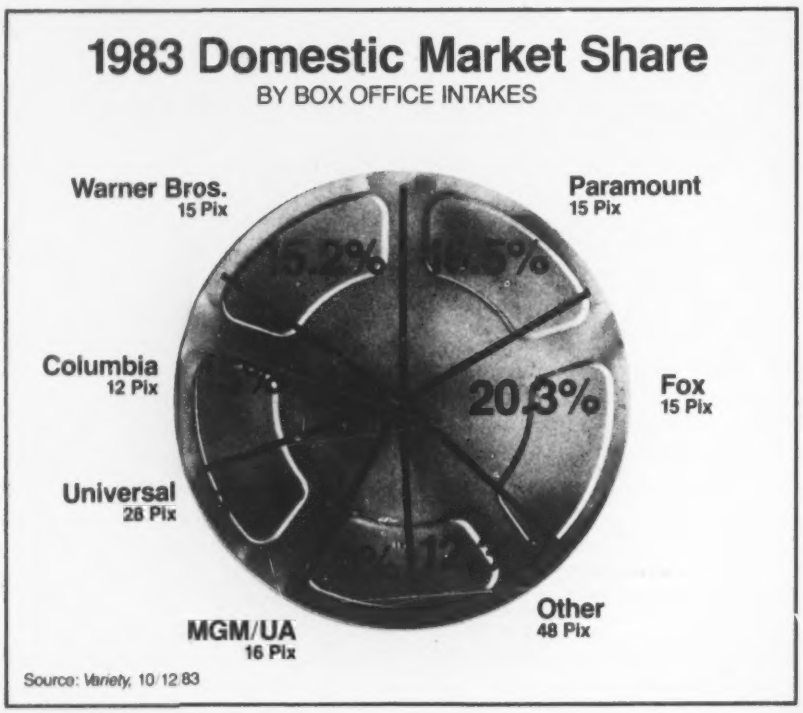
Despite the apparent rosiness out West, recent agency and top management shifts indicate that all is not well in Tinsel Town. Earlier this year, MGM/UA moved its business from Diener/Hauser/Bates to Wells, Rich, Greene, the former Columbia Pictures agency. Since then, Twentieth Century-Fox has been contemplating a switch of its own, since the two key executives on the account at J. Walter Thompson's Entertainment group left to join MGM/UA.

Sound confusing? Industry observers say the moves are unrelated to box office intakes, but reflect the new management team in place at MGM/UA. The team, led by Frank Yablans, who had been with Paramount, should take a greater interest in marketing than its predecessor. Since the agency transition isn't effective until January 5, 1984, marketing strategy shifts won't be evident for a year.

Other motion picture companies prefer not to leave advertising responsibilities with a single agency. Stan Kirchheimer, manager of national advertising for Paramount Pictures, explains the company's "grass roots approach."

He notes that the film company discovered long ago that television provides the best selling medium for the product. Almost all television is spot, he says, "because it gives us an opportunity to tag our local theaters. It's a way for us to target."

Research has consistently shown that the movie-going demographic is 18-34 and primarily men aged 18-25. Television not only delivers the desired group, Kirchheimer explains,



Major studios' media expenditures 1982 vs. 1981

(estimated)

	Magazines	Supps	Net tv	Spot tv	Spot Net radio	radio	Outdoor	Newsp.	Total
20th Century Fox									
1981	1,405.8	130.6	14,855.1	6,039.6	—	86.9	84.8	—	22,602.8
1982	431.4	319.4	22,359.1	8,232.3	78.0	103.6	181.7	620.9	32,326.4
Paramount									
1981	630.9	113.9	522.9	16,790.0	—	442.1	188.7	838.3	19,526.8
1982	845.9	663.7	1,511.6	17,779.5	—	401.5	242.9	692.2	22,137.3
Warner Bros.									
1981	549.3	—	22,767.6	6,644.1	—	943.0	20.2	193.8	31,118.0
1982	35.1	—	19,393.8	7,105.4	—	816.3	22.4	12.0	27,385.0
Columbia									
1981	1,199.6	17.7	32,612.1	2,762.7	60.6	3,101.0	22.0	29.0	39,804.7
1982	427.7	112.2	25,638.1	5,923.2	27.9	1,595.6	148.3	156.0	34,030.0
Universal									
1981	372.6	—	17,815.0	3,853.1	—	6,438.5	—	139.5	28,618.7
1982	1,275.9	36.8	20,467.0	7,882.1	56.2	3,584.8	6.2	349.0	33,657.9
MGM/UA									
1981	512.5	—	8,925.3	16,737.3	—	—	8.0	—	26,183.2
1982	129.6	—	8,752.2	13,041.7	—	26.7	15.5	—	21,965.7

"but electronic media are also better for a launch. You can tell the story better on television." The standard practice is to revert to print — usually local newspapers — for the sustaining campaign.

He ads that Paramount has recently begun using cable. "We are a strong supporter of cable. Our MTV buys, for example, are credited with making *Flashdance* and *Staying Alive*, two of the company's releases from earlier this year. "Most of the people trying to reach the movie consumer are diverting their money into cable," he says, noting that the available audience figures exist, in his mind, to justify the buy to the agency. The demographic watching MTV, he explains, is the same as the one he is trying to reach for Paramount.

At the same time, research is having an increasing impact on the film company's marketing decisions. "We are trying to define our audience better. We've put a lot of money into research to help decide a creative marketing plan." The research funds, he notes, have not come out of the advertising budget. As a matter of fact, he points out, the advertising budget has at least kept up with media inflation.

"We don't look to research to determine our strategy. Research is just another tool for interpretation. It's not like research is going to determine only 'X' and we'll do X."

Paramount has been getting greater returns on fewer films, he says. "But that doesn't mean that we have that much more to spend for each film. Each film is treated as its own entity. Advertising budgets are dictated by the films' needs, so we're really not dealing with a fixed budget at all." The high level of continuity in the company's advertising strategy, he notes, might allow one to assume that budgets have remained stable overall.

"Basically, the key to our whole approach is to reach the consumer on a market by market basis, though." This, more than the individual film's budgets, has determined Paramount's strategy. "Working habits in one market may change slightly more than in another. This means that viewing habits will have changed slightly, too. If we were to use network television, for example, it would be like taking an average of the entire country. It's just not as efficient."

While individual factors determine the buys for each film, he says that an average film will see 30% of its advertising budget going into early fringe, and another 30% into late fringe. "But then again," he cautions, "we may be after women 18-34, or even more precisely, working women in that age range. The numbers of women working are going to be different in New York and Detroit. Basically, buying the way we do allows us to adjust the day part around the country, for the most efficient one in each market. We can even change the spots to mirror the sophistication of the market."

He says that advertising doesn't often change in response to different market conditions for the launch phase. In the sustaining campaign, however, newspaper advertising will

Continued on page 117

BRAND REPORT 94:

Office automation

DECISIONS' investigation shows that the decision making level of management for office automation equipment varies by company and industry. This fact has changed the way the producers of information processing equipment market and advertise.

Life is getting easier in the office.

But it isn't getting easier for the people who make it easier. As U.S. business moves into the age of automated data retrieval, communication and projection, the industry that produces the automation equipment grapples with a difficult question: what level of management makes the purchase decision?

Television advertising and consumer print are looming increasingly large on the media horizon of this industry. Prospect hunting must be done with a large net rather than a highly targeted arrow. No one knows just exactly where to shoot. And that sales prospecting net will probably double in size this year as the industry expands five

Estimated media expenditures, 1982 vs. 1981

Company		Total	Magazines	Supps	Net tv	Spot tv	Net radio	Outdoor	Spot radio	Newspapers
IBM	1981	$32,789.0	$10,182.6	$416.7	$15,440.7	$1,015.1	$ 445.5	—	$1,573.7	$3,714.7
	1982	61,835.2	16,132.7	923.1	29,700.2	4,343.1	1,590.2	$66.4	2,777.8	6,299.3
Wang	1981	5,289.8	1,106.2	—	3,145.6	682.6	—	—	7.7	346.7
	1982	5,082.7	1,289.4	—	2,546.0	749.8	—	13.9	199.8	288.8
DEC	1981	4,110.6	3,080.9	—	—	—	—	—	632.0	397.7
	1982	5,373.8	2,669.3	—	—	968.4	—	31.6	465.3	1,239.2
H-P	1981	4,427.4	2,897.5	—	1,209.0	43.2	—	—	—	277.7
	1982	5,486.7	4,264.3	—	—	9.8	—	.3	27.5	1,184.8
Xerox	1981	23,537.4	9,769.6	—	9,784.3	1,009.1	1,190.8	94.6	—	1,689.0
	1982	19,651.1	11,628.5	—	6,728.5	160.1	—	—	—	1,134.0
Data	1981	3,831.0	1,197.6	—	—	2,622.8	—	—	10.6	—
General	1982	2,406.4	975.9	—	—	1,430.5	—	—	—	—

Source: Leading National Advertisers, BAR, RER

Note: These figures reflect the expenditures of the leading players in the office automation field, in the nascent period of experimental penetration. Advertising budgets have been increasing across the board, between 30% and 50% in 1983, and continue to increase for 1984.

times faster than the overall economy.

1984 promises to be a big year for the evolving office automation industry. Ad budgets have been increasing steadily over the past three years, and are soaring this year. The Leading National Advertisers 1982 total for the category hovers at about $150 million; that figure will double for 1983 and possibly again for 1984.

One of the clearest signs that competition is heating up is the expanded use of broadcast. Leader IBM has been buying television for several years, and contenders Hewlett-Packard, Wang, DEC, Digital, Xerox are increasing their use or moving into the medium for the first time this year.

Another indication is a decrease in the use of technical/trade publications to promote products. Print is being used to supplement broadcast image campaigns with heavier use of general interest business publications like *Business Week, Fortune* or *Forbes*.

Though sales figures are promising, and growth projections even more so, penetration has so far been low. Richard Dalton, contributing editor to the industry newsletter "Open Systems," estimates that current penetration is about 10%. He explains that the office automation industry actually consists of several complimentary non-competitive industries, producing technology that can 'stand alone' or be connected into an inter- or intraoffice network. Penetration for different sectors varies as a result.

Word processors, for example, represent the most common, low end form of office automation. They can be connected to other systems, which provide electronic mail, teleconferencing, electronic filing, or, at the highest end, "administrative or decision support."

Dalton says that word processors represent the bulk of office automation equipment already in place.

"It's very hard to move office automation technology into the executive suite. Word processors tend to be brought in as clerical support systems. They are not thought of as disrupting the normal flow of business on that level." An estimated 20% of the nation's five million typists or clerical workers have access to word processing technology in some form.

The most penetrated sectors so far tend to be paper-processing, white collar industries. Dalton says inroads have been made into banking, insurance, and to a certain extent, into local and federal government.

"There is monstrous potential for growth in this industry," Dalton says, estimating 1983 sales at about $8 billion, a figure that does not include personal computers which can be used in the home or office.

As the industry continues to expand, he adds, technological compatibility will become a bigger factor. Many systems are designed to be compatible to IBM machinery.

"Most people don't understand that what goes on between people in an office can be made more efficient," he says, noting that offices tend to invest in low end technology when they decide to move into automation.

"Then the problem arises when they want to start tying units together. The more types of technology you have, the more problems you will have bringing the components together. Connections within one brand are the easiest, of course. But as soon as you start investing in more than one, you have more and more problems with each additional brand. Especially when you want each desk top to be able to access from a main computer base.

"There is a shakeout underway, and it will be brutal." Dalton says that the companies likely to stake out a leading position and maintain it will be those that have a full line of office automation products, "that are compatible from top to bottom."

The need for compatibility, Dalton continues, does not exclude the possibility of "strong niche players," companies like Commodore or AB Dick that can produce one component competitively. He foresees a shakeout that will grip the industry on two levels: within each category of technology, or niche, and overall, between the industry leaders.

Christine Hughes, vice president of the Gartner Group, the Stamford, Conn. based information consulting firm, says that office automation "has moved past the primitive stage, into the evolving stage." She says that the leaders have already shifted their strategies toward integrating their technology and expanding their resources.

Despite the technological progress, Hughes says, "people are still quite confused about what office automation is." She breaks the industry down by levels of technology.

"The most basic form is a stand alone system — basic text editing." This area will see slow growth, from $1.5 billion in 1982, to an estimated $2.0 billion by 1987. "Communications is the major influence in the decision to invest in OA technology in the 1980's, and text editing stations do not have communications capabilities."

Shared systems, another area, will hold at a compound annual growth rate of 16%, from $900 million in 1982, to $3.9 billion by 1992. Other areas, like non-impact printers, will also continue to experience growth. Integrated office work stations, like IBM's 'Smart Desk,' will grow from $1 billion in 1982, to an estimated $23 billion in 1987.

"The biggest problem with estimating the size of the market is that there is no way of tracking the application of personal computers. Many are used simply as word processors, but even that application can't be traced easily."

She notes that inclusion of personal computers in office automation industry estimates would push the current market estimates far beyond $10 billion.

Barriers to growth

Industry observers see several potential barriers to growth that may affect all players. As Tom Elliot of International Data Corp. explains, the technology has become more sophisticated than the marketing channels through which it must be moved. He says this bottleneck is evident in the degree of consumer ignorance about the different capabilities of the technology. And he adds that he is not sure the leading companies have accurately gauged the perception of office automation technology among their target groups.

Others, like the Gartner Group's Hughes, see the lack of standardization as a potential problem.

"Users could be faced with a vast array of incompatible devices within the organization. Given the high cost this represents a very high level of sunk costs with very low returns."

Like Elliot, she perceives a marketing problem. She says that neither the sales forces nor the advertising messages reach the decision-maker within an automating company with any consistency. She attributes this to the relative novelty of automation. Many companies, she adds, do not have management for automated technology. Too often, the position the automation manager holds within the target company changes from one firm to the next, making it very difficult and costly for vendors.

Dalton says that executive resistance to automation may become a barrier. He points to the demographics of most senior level executives who are in a different age group from the computer generation.

"Upper staff levels always assign others to make this kind of buying decision. This reinforces the mind-set that computers are not for them. This is an image problem that the office automation industry will have to solve."

He says that computer application tends to move more smoothly into "easily defined jobs."

No one, he adds, has come up with an answer to the most frequent executive complaint: 'How will it help me stare out the window for three hours and come up with that brilliant idea that the company will be running with for the next five years?'

It is this mentality that has made penetration into "factory-like industries" easier, Dalton explains. "Processsing data, like checks or forms, is subject to the same form of improvement factors as a factory." The association of office automation with processing and productivity improvement has reinforced the executive defense on grounds of creativity.

Hughes agrees, noting that the executive age bracket "was not raised in a computer world. They were born in a black and white environment. Pressure to automate will come from those weaned on computers, from the middle levels of mangement who will want a computer to be part of their desks. This conflict might become a barrier to growth.

"There's also the question of infor-

RATIO OF WORKERS

Ratio of workers to work stations (keyboards)

1981 52 million: 9 million
1982 53 million: 16 million
1983 54 million: 22 million
1984 55 million: 29 million
1985 56 million: 35 million
1986 57 million: 41 million

Source: International Data Corp., 1983 (white collar, clerical and above)

Note: that in 1981, only one in five white collar office workers had access to an electronic keyboard device. By 1986, according to International Data Corp., only one in five will not have an automated workstation.

VALUE OF SHIPMENTS (in millions)

Sales figures in office automation industry sectors

	copiers	facsimile	PBX	electric typewriter	word processor	multi-functional systems
1981	$3,517	$253	$1,037	$ 401	$1,658	NA
1982	3,661	296	1,184	475	2,084	$ 75
1983	3,669	343	1,299	577	2,700	163
1984	3,639	397	1,411	712	3,203	567
1985	3,548	429	1,507	891	3,604	1,195
1986	3,421	437	1,598	1,124	3,948	2,256
1987	3,186	446	1,684	1,423	4,290	3,544
Compound annual growth rate:	−1.6%	9.9%	8.4%	23.5%	17.2%	116.2%

Source: International Data Corp.

Note: Estimates of the value of office automation shipments indicate that growth rates for some components of the 'office of the future' are three to eight times the current rate of GNP growth.

mation sources. Most senior levels of executives depend on external sources of information that don't have to be accessed through automated equipment. The same is not true of middle management. No one has quite figured out what executive needs are, and how to address them."

Hughes says that "if more sophisticated user interfaces were developed for top level management, they'd use the equipment quickly, be more productive, and not be afraid of it."

Changes in lifestyles

Some researchers have ventured to gauge the effect office automation will have on the lifestyle of those exposed to it.

International Data Corp.'s Tim Caffrey says that roles within the office are likely to become less defined as automation progresses.

"The office will become structured in terms of people's ability to manipulate information. Adding that 'what if' to the creative impetus is an easier task with this technology. But the structure of offices themselves will begin to revolve around access to information. The problem management will have to confront will be how to make sure the office structure keeps pace with the flow of information."

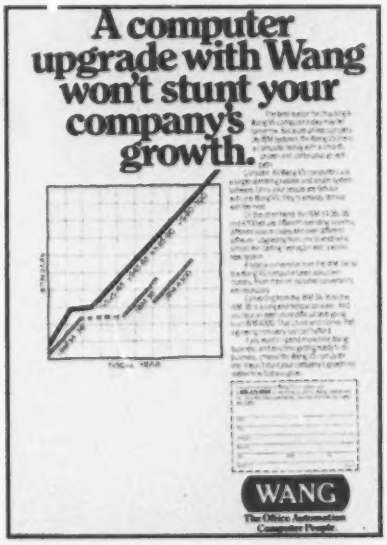
Some firms, like Honeywell and Kelly Services, have studied the implications of such technology. But these reports, like Honeywell's national survey of office automation and the workplace, focus on the perception by clerical workers using the equipment and managers supervising its use. No study has been done to date on the lifestyle implications of increased automation on non-office environments or on workers in a fully automated office.

Dalton predicts that the current confusion about office automation's impact will shift self-perception. "You'll have a situation with more perfect information access, and less human contact. There will be more work done in the home." He cites IBM's PCjr as the typical common system to link the home work station with the office data bank.

"You will be able to have the same access to information in both places." But the changes, he says, will be more substantial than that. He speaks of his own experience working from his home, and observes that relationships between people are altered by less frequent contact.

"The methods of communication will change. People will be telecommuting, instead of commuting. They will be moving from one information center to another through the network these centers provide. The clues to other users' personality will come through in different ways than most people are used to now," he says, commenting on the different forms people use to communicate through integrated office system networks.

IBM, the market share leader, put most of its advertising weight into broadcast in 1983 to promote image.



Wang, the runner-up, tackles leader IBM in its print advertising in consumer magazines.

"It tells you something about the other guy when he sends all his messages in all-caps, or with a lot of typos."

IDC's Elliot feels that there will not be a drastic shift in lifestyle and perception until all the players are fully committed to office automation.

"The impact of the communications companies," he says, referring to well-publicized decisions by AT&T and others to move into the field, "has not been felt yet. It will become a different industry once they enter. But that's five years down the road."

International Business Machines

As in almost everything else IBM tries, Big Blue is the leader in the office automation field. Yearly earnings consistently exceed the runner-up's revenues, and with an R&D budget in excess of $2 billion, IBM shows no signs of giving up the lead.

Among the company's strengths is that its technology has set the standards for compatibility in all computer-related fields. This gives IBM an edge, not only in its marketing efforts, but also in the way competitors are forced to position themselves against it.

The advertising budget for office automation equipment, like everything else associated with the company, dwarfs any contender. 1982 totals of $61,835,200 for OA systems are almost double 1981's $32,789,000, and yearly increases continue to be as significant.

The bulk of advertising, according to Byron Clung, Information Systems group director for communications, is image-oriented. Broadcast gets the heaviest outlays, in net and spot television and radio.

IBM uses national general interest business publications, including *Business Week, US News & World Report, Dun's, Fortune, Forbes,* and the newsweeklies to support broadcast.

Image advertising also runs in more specialized trade publications, targeted to computer users — *Datamation, ComputerWorld, Information Systems News* — and office automation books, to target the more automation oriented business prospects.

Clung says that advertising is targeted in two ways. In the more general advertising, the company tries to describe what office systems are, and to convey "the concept of office systems' generic benefits," tagging the message with the additional value IBM products give. Campaigns include the "Smart Desk" advertising currently in the general interest business publications.

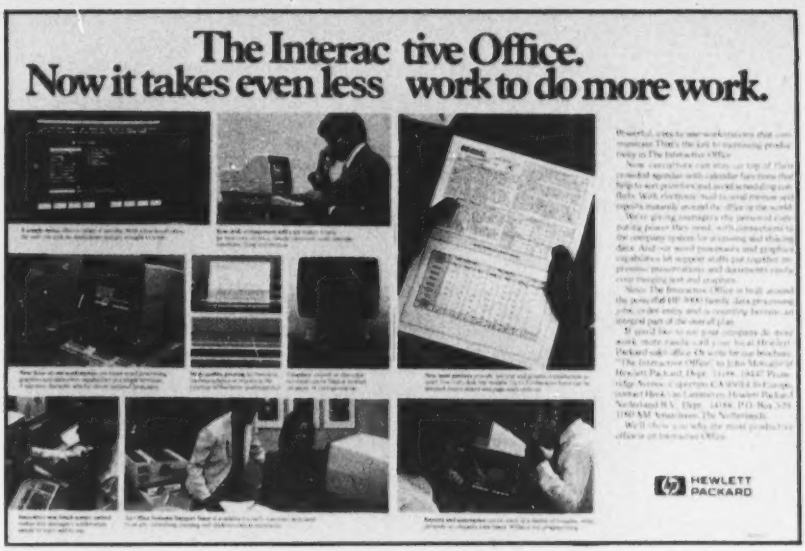
A second point of emphasis is "connectivity", which was the major theme for 1983. Advertising focuses on the "entire enterprise, with different people performing different functions on different systems, that can all be connected." The company is keen on continuing to emphasize "the broad range of IBM solutions."

Specific product advertising has been a smaller part of the effort, but according to Tony Emerson, director of advertising for the Information Systems Group, "you will be seeing more of that in the next year."

She adds that some of the themes will be changing to focus more on this "cluster" approach. She cites the current 'Smart Desk' campaign as an example of the forthcoming themes.

The future emphasis on more product specific advertising, featuring a group of interconnected products, will not reflect a change in the media or marketing strategy of the company.

Emerson notes that IBM is simply "looking at the broad product line, and deciding which need emphasis," rather than continuing to bolster the image of the corporation which has achieved awareness and set the standards for the entire industry.



Hewlett-Packard is struggling against its 'scientific-engineering only' reputation with image campaigns.

Wang Laboratories

Wang is in the unlucky position to being second to IBM, a fact the company attacks head-on in its advertising. With 1983 revenues from office automation equipment in execess of $1,321,500,000 and a growth rate consistently above 30% per year, the Lowell, Massachusetts-based company has secured second place. For the time being. Industry analysts point to certain vulnerable aspects of their product line, especially in the personal computer area, as potential barriers to growth.

Charlie Johnson, director of systems marketing at Wang, says that the company's advertising has recently adopted a "three-pronged attack: product recognition, corporate image and office automation systems themselves." Expenditures have risen sharply, from $5,082,700 in 1982, according to Leading National Advertisers, to about $10 million last year.

The target audience has been fine-tuned somewhat over the past year. "Our target is the high level decision maker, within a Fortune 1000 or 1500 company. The exact position of that decision maker within the comany depends on the class of company."

Johnston says that Wang reaches its target through a combination of vertical and horizontal advertising. "We used very targeted vehicles, like the PC magazines. Then, we advertise in industry specific magazines for industries like insurance, the manufacturing sector, and state and local government vehicles."

General audience magazines, like the executive editions of the newsweeklies, the *Wall Street Journal, Business Week* and in-flight magazines, complement the more technical advertising in trade vehicles.

In line with the company's continued rapid growth, Wang has also moved into network television, with corporate image advertising. "We go for the high visibility items, like the news, or sports," Johnson says.

This dual advertising strategy, at once commercial and technical, has allowed Wang to focus on problem areas, like the personal computer. "Our highest area of growth, though," Johnson explains, "is in office automation, which does have some overlap with personal computers. Our advertising budget for OA will continue to grow in proportion to that area."

Johnson sees the current technology as broken into two categories. "There are those companies that are on the leading edge of technology use. They buy the newer products which might otherwise be characterized as less defined in use or application. These are the companies that basically help solve the problems of technology that other companies will be using three or five years down the road. The other class of technology users are more mainstay. They haven't moved much beyond work processors or data processors.

They are the ones that will buying the same technology as the first class of companies, but five years from now."

Johnson says that predictions about the future course of the company are difficult, especially in an industry that is growing and changing as rapidly as office automation. He adds that it would be hard for him to say whether the company will be changing its advertising strategy in the near future. So far, advertising has been taking the company in the direction it plans to go.

"There is really only one direction for the company to take. We want a good mix of business directed at those Fortune 1500 companies," which are reached through a sales force as well as through the advertising. "Out of that, we are planning to move into alternate channels of distribution — a less direct sales force, for one — which are being built now."

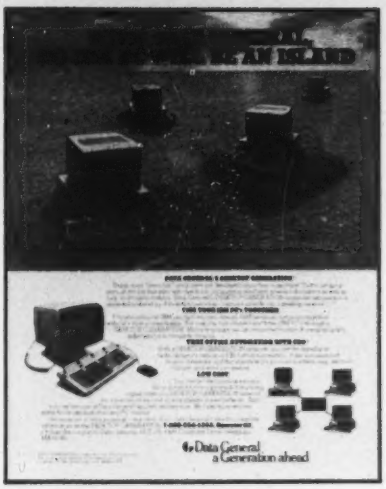
Digital Equipment Corporation

DEC closed out 1983 in an unhappy, if not precarious position. The second largest computer company, assailed with management problems, crippled by late products, DEC seems to have been caught by surprise, by smaller, more agile competitors. Executive desertions include some marketers, leaving the giant becalmed and directionless.

Office automation is a relatively new prospect for DEC. Observers, who say the troubled company is still a strong contender in the field, note that its headlong rush may be to the detriment of a sounder, more stable marketing strategy. Advertising and marketing for the office equipment follows the trends established by earlier entrants. But only time will tell if the approach fits DEC.

Marc Roberts, marketing program director for DEC, says that the most recent shift in the company's advertising strategy has been an emphasis on corporate image campaigns. "The entire company views office automation as the key to growth strategy. It represents the image of the company as well as the product advertised itself." He adds that advertising expenditures are up "at least 50%" over 1982's $5,373,800.

Advertising represents about one-fourth of the total marketing effort, which includes a hefty proportion for



Targeting "large, multi-location multi-nationals."

educational seminars and trade shows (+30%). Roberts notes that as the company moves more into integrated office components, it becomes increasingly difficult to advertise and market single products.

"You can't separate the general company advertising — for personal computers, for example — from office automation. The message is a lot more complex."

What this means is that the company has moved away from single product advertising, to focus "more intensely on image." As Roberts explains, "compatibility extends over advertising, not just over the product line."

The main problem the advertising addresses is "overcoming people's expectations about computer capabilities." The mix of technical and business advertising targets the professional, middle managerial office worker.

"We've been advertising in *Business Week*, *Fortune*, *Forbes*, the newsweekly executive editions, the *Wall Street Journal*. As of 1983, we also started moving into television — mostly net. This was part of the corporate image campaign. The biggest single part of the budget is now going into tv. It meets our objectives most clearly. And it looks better."

Roberts notes that reinforcement of the "buying image" is necessary in the office automation industry: the consumer is buying the company at the same time as he is its products.

"The clearest solution to that was to push the name as much as any single product. It has helped us focus our advertising. We need to look beyond the technology and worry about the problems people encounter in their jobs. And then match their needs."

Roberts says that he feels technology has advanced at a greater pace than the marketing resources available for putting it in the consumer's hands. "The issue is one of lack of concern for needs. The major problem is that you cannot bring too much technology to bear on the marketing effort." He adds that DEC has moved away from "high tech appeal to high touch appeal."

"We are trying to be benefit oriented, to appeal to the broader interest of the user instead of concentrating on the function of the machine itself."

One solution to the relative sophistication of technology to marketing and advertising, Roberts says, "might be to delay the introduction of a new product. It's not really a case of slowing the technology down, but instead, of engineering it into a solution for someone. There's so much technology out there that doesn't really solve problems for anyone."

Problem solving, he concludes, will continue to be DEC's strategy.

Hewlett-Packard

Hewlett-Packard found itself in an awkward position in 1983. The Palo Alto-based company had so successfully identified itself with "scientific/engineering needs" that it had locked itself out of the consumer's mind for its office automation systems, according to Jack Peters, project manager for OA advertising.

Not withstanding this lack of awareness, the company came in with solid revenues of $2,164,800,000 in 1982, and continued to introduce personal computer technology at an impressive rate. Growth continues to be strong, at about 20% per year.

H-P targets department managers in Fortune 1000 companies. "Our cutoffs are plus-100 employees, plus $50 million in sales," Peters says. The focus had been on industrial targets: "We used to look at Hewlett-Packard-like companies, mostly in manufacturing. But we have moved toward addressing the needs of an office in general. We intend to see the company in the main-

stream, not focused on one industry or one type of industry."

He says that H-P supplements its general efforts with some vertical marketing, toward the banking, library, oil and gas sectors, for example.

"We found that the mix of horizontal and vertical, in the sales force and in our advertising, is the direction we want to pursue. That hasn't turned us away from addressing the scientist or engineer, which we do in industry books that deliver that audience. But we want the management as well, and we get them in *Business Week*, the *Wall Street Journal*, *Industry Week*."

Peters likens the competitive atmosphere to the furor that gripped the PC industry. "We've moved into broadcasting as a result, maybe two or three times what we used to." The total advertising budget has risen from $5,486,700 in 1982, to "$10 million or $15 million" the following year. Peters says the current budget is "more than $20 million." Of that, about 50% goes into broadcasting.

"It's the best way to do image advertising," the main shift in H-P's marketing strategy. "We're looking into radio on a test basis right now, but it's really all spot tv. We buy in terms of demographics, rather than dayparts. We're looking for the upscale male, so the buys tend to be sports, with some news. In the area, we favor San Francisco's basketball team, or we'll buy on some channels with a recent movie running against a network show."

H-P's current image problem, Peters says, is a potential obstacle.

"We've got this unique problem, in that we tend to be pigeonholed. The entire focus of the strategy is to overcome that. Yes, it is true that we produce scientific and engineering equipment, but we have the expertise in other areas too." It was the realization of this awareness problem, he says, that prompted the company to make a wholehearted decision to go into the mainstream. Hence, he points out, the rapid increase in advertising budgets and the addition of television.

"The change in advertising reflects a total reorganization in the computer operation. We've consolidated the advertising, which used to be done regionally, to a group level, so that all the word processor advertising, for example, is integrated. This group strategy is by market. The vertical thrust is still going, but it's really a matter of priorities. There's a great difference between getting into the mainstream and maintaining your position, and drastically improving it. Especially in this industry. We've already seen a change in the perception of the company marketplace. But we sense that the trend is toward a short list of vendors being asked into companies — a shakeout, like anywhere else. There's a problem there, of being locked out. If we don't get on the bid list, we don't have a chance."

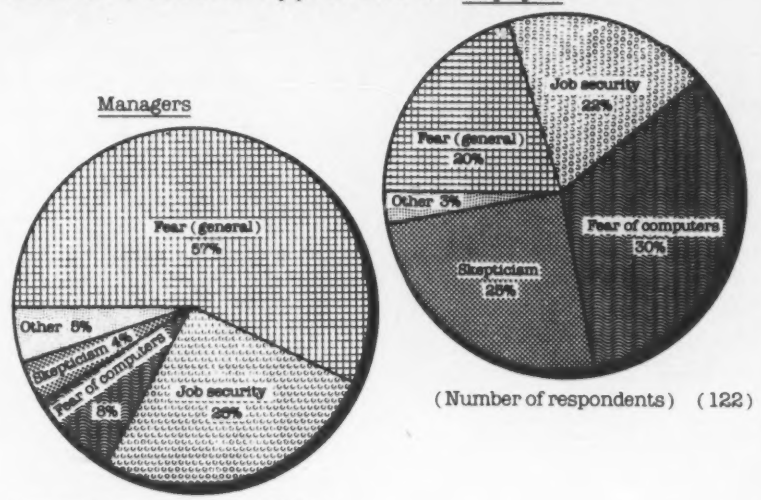
Peters notes that H-P has an advantage in being able to offer the office management "a total range in office technology." Dealing with a single vendor, he says, makes it easier for the buyer.

Despite the extent of the line, however, Peters concedes that he has encountered executive resistance to automation. "Well, you know, it's like trying to sell a new typewriter to an old secretary who's had hers for fifty years. It's just a resistance to change. There will be pressure from the bottom up in these companies," he adds, noting that the office environment is a greater catalyst for change than educational seminars.

"The workers will need more information. The managers will be looking at it from a productivity point of view. There's greater efficiency of information flow with these systems, and increased productivity is the bottom line."

He explains that, with all of H-P's concern for image, H-P continues to focus direct marketing efforts on "middle managers who need help controlling their work load," as forces for change.

Perceived Focus of Apprehension



Source: Honeywell

Xerox

Xerox may not seem an obvious contender in office automation, but they were one of the first companies to develop an integrated office network, Ethernet. Despite high awareness, bolstered by more substantial advertising than many other contenders have mustered, they have not yet managed to make their office automation equipment as well known as their copiers.

Ad budgets have always been relatively high, even when office automation was nascent. 1982 figures hovered at the $20 million mark, and have not risen substantially since. What has changed, as with other OA companies, is the mix between product and image advertising.

"We've got a broader range of products than most people understand," explains Barbara Blackshear, manager of market planning for the company's office systems division. "Xerox is the total office automation vendor. We want to make sure that our investment in technology is recognized."

She notes that the recent introduction of the personal computer by the com-

pany has "generated interest, so that it has become inconvenient to separate that from OA."

The target for advertising is the same as for the sales force: "the document-oriented office professional." To reach the target, Blackshear says, Xerox has maintained a consistent mix of broadcast and print that dates from before other OA companies turned to tv.

"We need the television for our image," she explains, noting that the company's technology "spans all office areas, from clerical word processors, to the Star 8000 line for professionals and engineers. We are not specific to high levels of management."

Blackshear says that the company's strategy has been to take a horizontal approach, which she explains. "There are more similarities between engineers in different companies, than there are between an engineer and a financial analyst in the same company. We look at it from a process point of view. So we try to target research and development areas in these companies where scientists are most likely to be."

Broadcast is supported by general interest business magazines, like *Business Week, Fortune, Forbes*. The mix between broad-based and technical publications is 50-50, according to Blackshear.

She anticipates a continued expansion of advertising budgets, as the industry itself continues to grow. But, she cautions, it is well past its nascent stage.

"Office automation isn't just picking up steam. It's boiling over."

Data General

Despite an unhealthy year in 1982, Data General is consistently mentioned by industry observers as a major force. According to one, the company may have found a new source of strength in its mini-based office system and supermini technology. Advertising support continues to be relatively small, in the $3 million (1982) to $5 million (1983).

Marketing communication manager Dennis Byron explains that the company seeks to target the "heaviest user: middle management." The target is addressed mostly through general interest publications, like the *Wall Street Journal, Business Week, Fortune*.

"We are also looking at another emerging market, the personal computer in the home that connects with the office, and the technology that you can carry with you when you travel on business." He says that the most appropriate industries for such technology are in the service and government sectory, "basically because office automation is a productivity improving tool. It is most valuable in a paper intensive, time sensitive area like these."

Byron is hesitant to pinpoint any barriers to the industry's growth, although he mentions that "there is a question of how much the market can absorb."

For Data General itself, he says, the key to continued growth will be compatibility, an area that will become increasingly important as the telephone and communications companies move further into the office automation field. "Right now, we want to help managers decide what desks should be automated, and to what extent. This has a lot to do with stringing wires to a mainframe, depending on how large they want the network to be. You can see that when the wires are there, and part of the system, the installation costs" which can equal the cost of the product "will be much lower."

Byron says that the company will continue moving away from the low end of its line, typefied by word processors, and toward the larger end where the greatest potential for growth is. "The real payback on the technology is helping the higher paid employees with productivity tools," he says, explaining the relative ratios of technology costs to salaries, of clerical and management workers.

As the company continues to move in that direction, he says, advertising will expand into broadcast. "Right now, we're doing an awareness campaign — 30-second spots targeted to the upscale male, 25 to 49. We've been using dayparts like sports, such as NCA football, and news/information shows, like *60 Minutes* or the nightly news. The target is still the business to business, like the print advertising, but broadcast is necessary for the image.

"We will continue to position the office automation systems as tools to help the individual. They provide a solution for day to day problems."

Laura Jereski

UPDATE
(from 32)

More findings on NET advertising

A broad study of the effects of advertising on public television audiences covering nine stations shows no detrimental effects on viewership or subscriber contributions. (See: *PTV's noble experiment*, October 1983).

The study, conducted by the ELRA Group, East Lansing, MI., showed that there were measurable improvements in attitudes towards advertising and in support for goverment funding during the year. The most positive changes tended to be in the test markets where the awareness of the demonstration was the most intense, although slight improvements were found even where no advertising was seen.

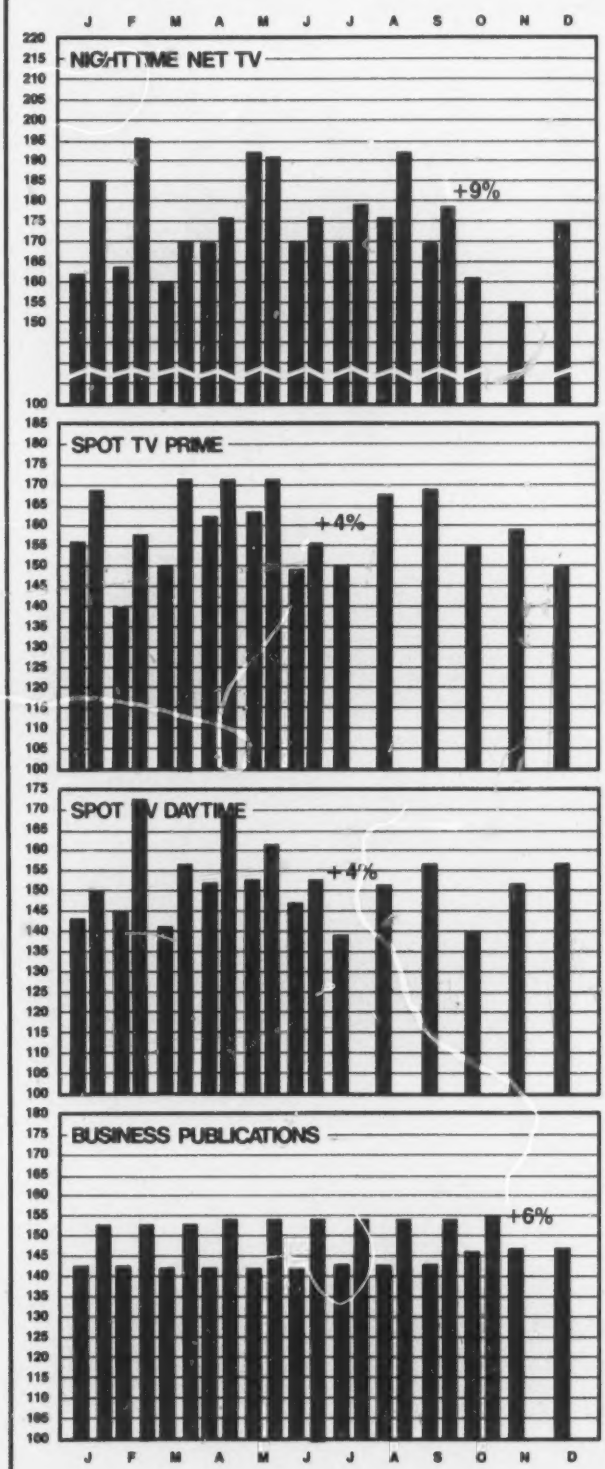
Public tv subscribers underwent a dramatic attitude shift. They became much more positive about advertising once they had a chance to see it for themselves. But there was also some evidence that NET's most generous donors may have been alienated by the advertising they saw and that support for government funding tended to weaken among regular viewers where advertising was the most intense. A quarter of the viewing public remained convinced that federal funding should end altogether if ads are permitted.

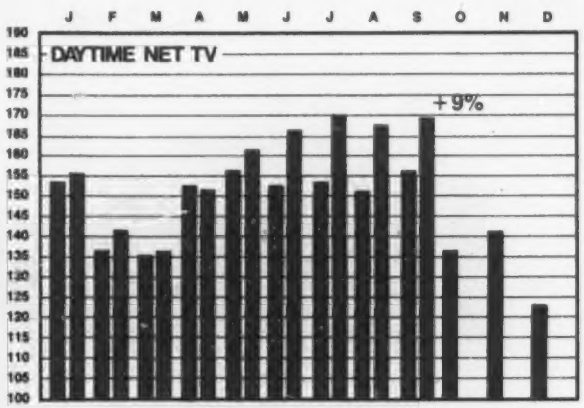
ELRA vp, Robert LaRose commented, "The advertising project had two components: an advertisng demonstration and a public education campaign. The ability of the participating stations to explain the presence of advertising to their audiences probably accounts for our findings. Our research shows that ads are acceptable on public television as long as they are carried only at the beginning or end of programs. It also shows that the presence of ads will not necessarily erode public support for conventional funding."

"... ads are acceptable on public television as long as they are carried only at the beginning or end of programs."

MEDIA COST INDEX

Black bars index for 1982; color bars 1983; base year 1977





The Cost Index shows comparative data for nighttime network and daytime tv, magazines, newspapers, supps, network radio and outdoor posters. With this issue, updated data is available for spot prime and daytime tv. Data for spot radio is still unavailable.

Broadcast data for the month of September show no dramatic change from the pattern demonstrated in the previous several months.

Daytime network tv for September is reported at 9% over September 1982. This continues gains of the same magnitude (9-10%) shown for the previous three months. For the first five months of this year a gain of 3% over the corresponding 1982 month was the highest.

Network radio, with a 4% gain over September 1982, is also holding within the range (3-5%) in evidence since June.

Spot tv data for the third quarter is not yet available due to a change in definition of dayparts which have to be reconciled to 1982.

The cost of an average **outdoor poster panel,** after dipping to 6% in the September-over-September report, reverted to the 10% level exhibited since May.

Newspapers, on the revised basis (1981 = 100), reverted to the 10% gain over the same month a year ago reported for all months in 1983 except August and September, each of which showed 11% gains.

The Media Cost Index reflects trends extracted from available sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled.

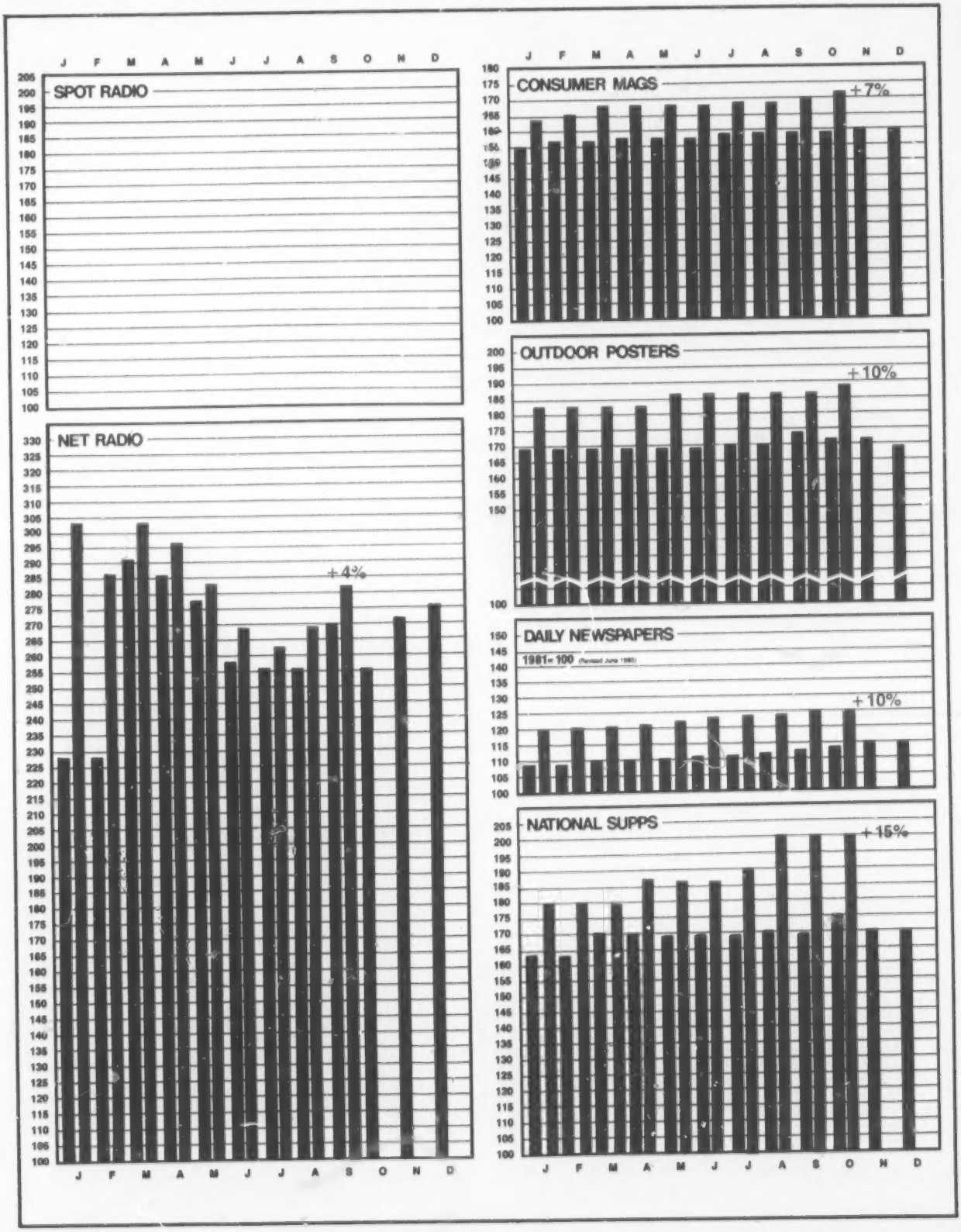
Sources: **Nighttime Network TV** — Cost per average 30-second spot, 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Reports' (BAR) Network TV Service. **Daytime Network TV** — Cost per average 30-second spot, 10 a.m.-4:30 p.m. Monday-Friday from BAR's Network TV Service. **Network Radio** — Cost per average 30-second radio announcement from BAR's Network Radio Service. **Spot TV — prime and daytime** — Cost per 30-second spot, Monday-Sunday from BAR's Spot TV Service.

Consumer Magazine estimate based on reported SRDS cost of a page, four-color in 40 national consumer magazines, as reported by Magazine Publishers Assn. **National supplements** estimate based on published (rate cards) costs of a page, four-color for the national supplements. **Daily Newspapers** estimate based on Newspaper Advertising Bureau report of SRDS costs per agate line of a sample of 788 newspapers weighted to represent the universe. **Business Publications** estimate based on reported SRDS cost of a page, four-color in 48 publications representing 42 business and professional classifications. **Outdoor Posters** based on estimate prepared by Institute of Outdoor Advertising. Spot Radio data to develop a continuing index are not available at the present.

How to read: Media Cost Index reflects latest available costs compared with base year 1977. Percent change shows rate of change from the same month in previous year.

MEDIA COST INDEX (continued)

Black bars index for 1982; color bars 1983; base year 1977



frequently include favorite critical opinions of those critics who are best known in the area. "Different cities have different responses to critics. But we'd be crazy not to use Siskel, for example, in Chicago."

To that extent, he says, the advertising strategy might be termed a localized one.

Other companies, he notes, have tried adjusting the creative portion of the marketing plan. "The cost of doing that is prohibitive, but it's been talked about here, too."

So far, the only creative adjustments in a film's campaign have been changes in tag lines, to reflect regional variations. This is most pronounced in the South, where regional variation is most evident, and can be most accurately pinpointed by the film company.

"Visual acceptance tends to be uniform all over the country," Kirchheimer notes.

Paramount's strategy has been successful for the company so far. Other film companies have taken different routes, which entail a fundamental restructuring of their business.

"We develop a number of positions with the director's help. Sometimes, we do the trailers before the film is finished. We'll test two or three different trailers, in different houses with representative demographics. It's a combination of research and instinct."

Kasloff notes that the fine targeting the trailers permit balances the heavily network tv media mix. He adds that far more testing is done on the trailers than with the advertising campaign developed after the film is finished.

The theater selected for a specific trailer is as important as those in which the film will be distributed.

"We never mask a film either in the trailer or in the selection of houses." Kasloff cites the positioning of *Ghandi* as an example.

"We knew for *Ghandi* that we would have to position the film for an older, urban audience. This was reflected in the previews. That it drew a larger audience because of the political sidelines was not something we could have used to target the film."

He says that movie marketing is similar to mass marketing "except that the shelf life for films is shorter." If the film does not prove itself at the box office in the first weekend, its life is over. He concedes that there have been exceptions, but that these merely reinforce the need for consistent testing.

If a film is opening during the Christmas or summer season, the concurrent release of other films may affect box office. On the other hand, if the film is released during a non-traditional period, as in the recent opening of *The Right Stuff* on Halloween, other external factors will contribute to initially low returns.

> **"Sometimes we do the trailers before the film is finished. We'll test two or three different trailers in different houses, with representative demographics. It's a combination of research and instinct."**

Kasloff concludes that one additional form of testing is to hold private research screenings. "Showing the rough cut of the film is probably most important to the director," he says, adding that marketing and advertising would suffer without these.

"We showed several versions of *Tootsie* for [director Sidney] Pollack. It's important for us to gauge what's working in the film and what isn't."

The most popular alternate source of revenue is distributing films produced by independent investment groups. This route is most evident at Fox and MGM, says Dan Lee, entertainment analyst for Drexel Burnham Lambert.

He suggests that the recession is not the most accurate point of demarkation for the industry's success. "You have to look at the long term decline of the film industry over 25 years — since the advent of television. That bottomed out in the 1970's. There was some small growth after that, which is beginning to pick up now."

He suggests several factors for the recent box office spurt:

The form of available television has changed, with the establishment of movie channels like HBO. *"People have become spoiled by not having the commercial interruptions in their movies. They begin to resent that on television." This resentment, he suggests, has sparked an increasing interest in films shown in movie theaters.*

Ticket prices have not risen as fast as inflation — particularly notable in the past few years. According to Lee, ticket prices had been rising rapidly in the 1970s and have reached a stable level.

The lifestyle of the youth demographic has changed. "From what I see," explains Lee, "They're not as interested in dropping out as they were, say ten or twelve years ago. The trend established by the 'me culture' of the 70's has continued."

Along with surging box offices, Lee says, comes a more aggressive marketing strategy. This aggressiveness is evident not only in the content of television and print advertising, but in sheer volume alone. "There's much more television than there was five or ten years ago; clearly that approach is working." He says that the industry has been that the films that have done better at the box office were those that were heavily promoted on television.

While distribution has always been important to the film companies, some have turned to the system as an alternative source of income.

"There was never a point when it wasn't important for the studios to have good relationships with the theaters. It's simply necessary to get the films out there," Lee says.

What has happened more recently, he notes, pointing to Twentieth

> **"There's more television than there was five or 10 years ago; clearly that approach is working."**

Century-Fox and MGM/UA as the leaders, is that the studios have been letting independents take production risks. The money is put together under a tax partnership, such as Silver Screen or SLM Entertainment. The package is then marketed through a brokerage house. With such a restructure system of doing business, the studios are, in effect, bowing out of the riskier end of the business and collecting revenues by safer means.

Lee turns to Fox as a prime example. "Business there has not been so good," he notes. *The Verdict* helped, but you'd really have to go as far back as *Porky's* (released in the spring of 1982) before you found a good film." The company's current position as market leader has been primarily sustained through the successful distribution of such blockbusters as *Return of the Jedi*, which has brought the company more than $67 million to date.

Does the reliance on distribution mean a reshaping of the industry? The smaller production companies will tend to emphasize film production more; the larger ones, distribution. A recent example of this is the agreement signed between Cannon and MGM: "They felt they were better off going through MGM," Lee says of the deal.

Overall, however, there seems to be no clear trend. Each of the studios is going in a different direction. MGM, under Yablans' direction, is aiming to become the strongest distributor.

"Production will be strong; they'll want to make a lot of films," Lee says. "But without the distribution, no one will see them. Distribution is an essential component, but not the only one."

The secret to distribution, he notes, and the possible goal of the major studios, "is that you need a certain number of films going through the system. You have to keep the pipeline full."

Whether the major studios reorganize into distribution entities or diversify further into areas like home electronics, the advertising patterns for future films have already been established. The critical launch period will continue to depend heavily on television. The sustaining campaign will rely primarily on the local ability of print in various forms. ■

MEDIA AND CREATIVE (from 50)

Joseph Ostrow, executive vp, director of communications services, Young & Rubicam, Inc., said that communications between the media and creative departments on a day-to-day basis has picked up dramatically over the past several years.

"There's a great deal of discussion on individual accounts through the product group system, particularly in specialized project areas, where media planners deal with creatives on a one-to-one basis.

"In some instances," Ostrow continued, "the media plan is part of the new business presentation, sometimes there isn't, but when you're talking about the media department's involvement with new business, per se, this is absolutely the case.

"We make extensive and continuing recommendations on the use of the new electronic media, and often volunteer creative recommendations on the use of a different medium where the values would seem to be greater. There's a good deal of give and take," Ostrow admitted, smiling, "sometimes we even fight. This is healthy.

"Because of the new media," he continued, "cable, videotex, teletext, there's more communication between the two departments. And that's good too, because the synergy between the advertising message and the medium is what makes the commercial alive."

In some general comments about the media influence at different agencies, Ostrow, a highly respected observer and longtime veteran of the business said, "the clout varies from shop to shop. It depends how strong the media person is, how responsive the client is to different media suggestions."

Ostrow also said that he feels the key to further development of the media function along horizontal agency lines is the training of the younger people in all disciplines. "Our training program encompasses elements dealing with a diversity of aspects of the advertising business. This, Ostrow believes, will help the media professional of the future to move easily in his understanding of the various disciplines that contribute to the advertising process.

Phil Guarascio, senior vice president, director of management, Benton & Bowles, Inc. had these comments: "Almost always the media plan is included in our new business presentation as an important part of our credential as a perspective agency.

"If you look at the organizational structure of Benton & Bowles, we consider media an important part of the company. We have media intensive clients. The media function is an important part of what we do.

"The media and programing parts of the agency," Guarascio added, "present special resources to the client.

"Three of the people at the senior management level of the company are former media directors.

"I think that the media department has had direct involvement with the creative department through the core group system. The media department representative is part of the group. These people approach the marketing of a product on a strategic basis. The lines of the departments become blurred. People talk generally about advertising and marketing. This isn't new at Benton & Bowles. We've been doing it for 15 years," Guarascio, a 20-year veteran of JWT.

"As we have seen our media efforts become more diverse, a closer communication between media and creative is necessary, because we are dealing in different kinds of areas.

"The way we look at it at B&B is we like to consider ourselves as advertising and marketing people who happen to have a media specialty. We must make sure we retain the generalist attitude of the business as a whole, while we hone our specialization in media.

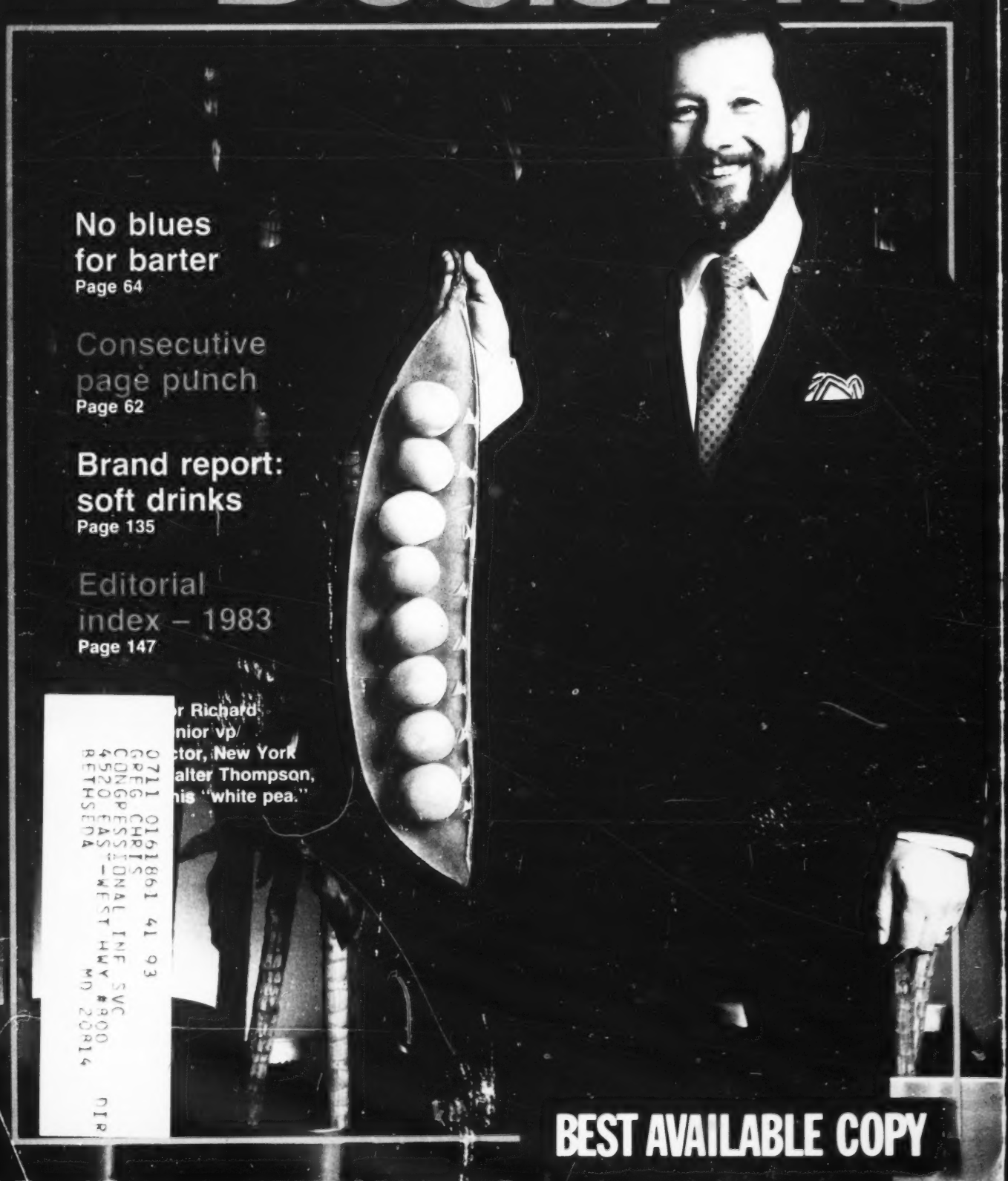
"Target marketing is going to place more of an emphasis in not only being good at our specialty but to be able to relate it to other sectors of the agency," Guarascio concluded.

It would seem that the judgement of these five experts coincides at least on one point. The media planner of the eighties, and of the nineties is going to be more of a generalist. While knowing his job, he is going to have to be attuned to, and appreciative of, his collaborators in the advertising process.

David Graham Halliday

FEBRUARY 1984 • $3.00

MARKETING & MEDIA Decisions



No blues for barter
Page 64

Consecutive page punch
Page 62

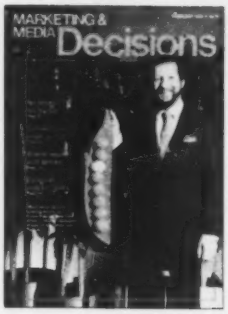
Brand report: soft drinks
Page 135

Editorial index – 1983
Page 147

r Richard
nior vp/
ctor, New York
alter Thompson,
his "white pea."

07711 0161861 41 03
CRAIG CHRIS
CONGRESSIONAL INF SVC
4520 EAS-WEST HWY #800
BETHESDA MD 20814

BEST AVAILABLE COPY



CONTENTS

FEBRUARY 1984, VOL. 18, NO. 2

Guest Editor Richard Kostyra, senior vice president, media director, New York office, J. Walter Thompson.

Features

59 It takes two to tango
Henry J. Kaufman examines the client/agency relations in first of three parts.

62 When once isn't enough
Use of consecutive pages in magazines gains momentum. Here's why.

64 No blues for barter
Syndication is on the upswing. Only debate — how big the barter/syndication market is.

66 Find the white peas
Richard Kostyra, senior vp, media director for JWT's New York office, looks for ways to make advertising stand out.

68 L&M lights up again
Liggett & Myers repositions L&M line, introduces new brands in return to cigarette wars.

70 Radio reps snuggle up
Consolidation of radio reps expands non-wired networks. But at the cost of local spot dollars?

72 Videotex ad-vantage
Videotex and teletext may be a gold mine for advertisers. But more digging is needed.

74 IMS corals the numbers
IMS, now owning LNA and Rome Reports, delivers comprehensive expenditure data in short order.

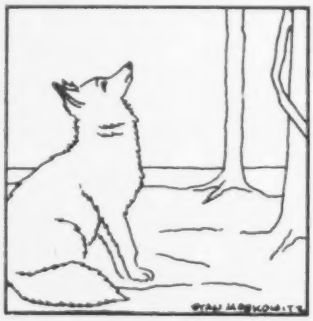
76 Mass market in retreat
Myth of the mass market wanes in face of new approach to demos and segmentation.

115 1984 cable outlook and agency scorecard

135 Brand report 95: Soft drinks
Soda pop image makers use rock music to woo the younger demographic.

147 Editorial index for 1983

Focus on .....



Foxy syndicators
(Page 64)

L&M's romantic mood
(Page 68)

Mass market maze
(Page 76)

Departments

2 Guest Editor
6 Focus on Marketing
10 Campaigns
17 Print Beat
20 Newsmakers
26 DC
30 New Electronic Media
32 Update
36 Homework
44 Futures
48 Quotes
56 New in Media
159 Broadcast Beat
162 Cost Trends

80 As We See It

As They See It

82 Mediology
Ed Papazian

90 Research
Alexa Smith

92 Newspapers
Ray McArdle

94 Magazines
Paul Zuckerman

100 Radio
Kevin Newell

102 Business to Business
John Ashby

104 Television
Alec Gerster

106 Cable
Ned Gelband

108 Marketing
Dawn Sibley

MARKETING & MEDIA DECISIONS (ISSN0195-4296) FEBRUARY 1984, Vol. 19, No. 2 **Copyright © 1984**, Decisions Publications Inc. Published 14 times. Executive, editorial, circulation and advertising offices at 1140 Ave. of Americas, New York, N.Y. 10036 (212) 391-2155. **Available** without charge to those personally involved in media decisions at major agencies and advertiser companies. For others, subscription prices are: U.S.A. $40 for 14 issues. Canada $50. Overseas $52 (surface mail). Airmail — add $52. Single copy $3.00. All overseas copies are paid. Second-class alternative B postage paid at Burlington, Vt. **Postmaster:** Send form 3579 to Marketing & Media Decisions, 1140 Ave. of Americas, New York, N.Y. 10036.

Regardless of size barter will boom

While some may argue that size counts, agency media directors don't particularly care just how large the national syndication market is. Whether the market will bill $320 million for 1983-84 or the $500 million that syndicators tout, media directors continue to rate barter syndication high as a cost efficient tactic for clients to fill in where network tv is not enough.

Is it simply a case of sour grapes or has Blair Television's white paper on ad supported syndication shed new light on the pitfalls and perils of buying barter programing?

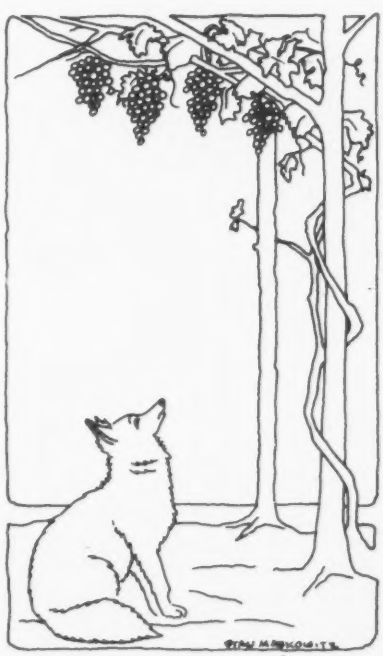
If the study was supposed to dampen agencies' ardor for barter programing, it has failed in its mission, as agencies contacted by DECISIONS, report billings for national syndication will be up substantially for 1984.

While Blair has not blitzkrieged agencies with its barter study, the company called a press conference last November "to disclose the current prices and audience delivery of individual programs to show clearly what advertisers and stations are getting from their barter shows." Not surprisingly, Blair's report received tremendous press coverage and raised the ire of syndicators who immediately dismissed it as "incredibly naive."

In releasing the study, Blair Tv's president, Walter Schwartz, explained the company's rationale. "There's been a lot of sizzle about barter lately, and we're tying to bring it into perspective."

And Blair's perspective is that while the ad supported syndication market is big, it's not as big as the syndicators tout — with Blair's estimate of the market coming in on the low end at $320 million, compared with the syndicators' estimate of $500 million.

Blair asserts that syndicators use the $500 million volume figure "as a lure" to attract more advertisers to their fold.



In addition to addressing the size of the barter market, Blair outlines other problems with the medium — problems of reach, efficiency and make goods — which agency media directors say they are already well aware of and take into account in pricing negotiations.

"Anyone who buys barter already knows what the Blair report revealed. All of the problems are factored into the pricing. And quite frankly, the volume — whether it's $300 million or $500 million — doesn't make a bit of difference in making media decisions," one agency media director states.

Blair's perspective

Blair executives contend that the report, prepared by Jack Poor, senior vice president and director of support services, is "realistic, not negative." The project, they explain, grew out of growing concerns from tv stations over the burgeoning category of ad supported national syndication.

As more programing is made available to stations via barter, and as license fees for off-network syndicated fare, such as pricey reruns like *M*A*S*H* and *Magnum, P.I.*, continue to skyrocket, stations are rethinking their options, especially in anticipation of a bull market. In a typical barter programing arrangement, a station relinquishes about half of its commercial inventory for the show, in exchange for the "free program, rather

than pay a license fee. During the past recession, syndicators made available a plethora of first run syndication, offering it for barter. Other variations abound, most notably the cash/barter combo where the syndicator takes out 30 seconds for national advertising and charges the station a license fee as well.

Station managers say they would rather pay cash for programing because the syndicators are demanding more commmercial time in barter deals, and that cash programs would be better for the station's bottom line as it would return control of commercial inventory to the station.

Stations, too, believe that barter detracts from their spot dollars with advertisers dipping into their spot, rather than network advertising budgets to pay the freight on barter. Most agencies disagree and maintain the client dollars for barter are siphoned from network, rather than spot budgets.

◀ Jack Poor, sr/vp director of support services, Blair Television.

In a nutshell, Blair's report concludes that "barter is not efficient comparing rate card to network efficiencies." but acknowledges that "the rate card can be negotiated down to an efficient basis." The report also points to barter's uneven performance on a national level. Furthermore, Blair states "barter guarantees and makegoods are erratic and non-selective."

Syndicators speak out

Syndicators dismiss the content of the Blair report, pointing that Blair Tv, representing 123 stations is obviously

Continued on page 166

Barter revenue — how much is really out there?

Annualized revenue based on 4th quarter 1983

"Gross" potential (rate card/100% sold) $517,712,000
"Real" potential (discounted/100% sold) $389,016,000
"Realized" potential (discounted/80-85% sold) $320,940,000

*Blair Tv's report on barter, issued Nov. 29, 1983

Barter — how does it perform?*

Efficiencies

At rate card, barter looks generally inefficient vs 3rd quarter network CPM's.

Program	May 83 US HH's	Rate Card CPM	Network CPM
Entertainment Tonight	6,224	$ 5.62	$3.50 (AV. PRIME/DAY)
PM Magazine	6,555	7.63	3.23 (EVENING NEWS)
Family Feud	9,380	5.86	3.50 (AV. PRIME/DAY
People's Court	7,826	5.75	3.50 (AV. PRIME/DAY)
Lie Detector	1,521	19.72	3.50 (AV. PRIME/DAY)
Donahue	5,945	3.03	2.33 (DAYTIME)
Hour Magazine	3,596	4.17	2.33 (DAYTIME)
Merv	1,645	5.47	2.33 (DAYTIME)
Solid Gold	6,224	5.62	4.28 (PRIME/LATE NITE)
Dance Fever	4,723	5.29	4.28)PRIME/LATE NITE)

*From Blair Tv's report on barter, issued Nov. 29, 1983

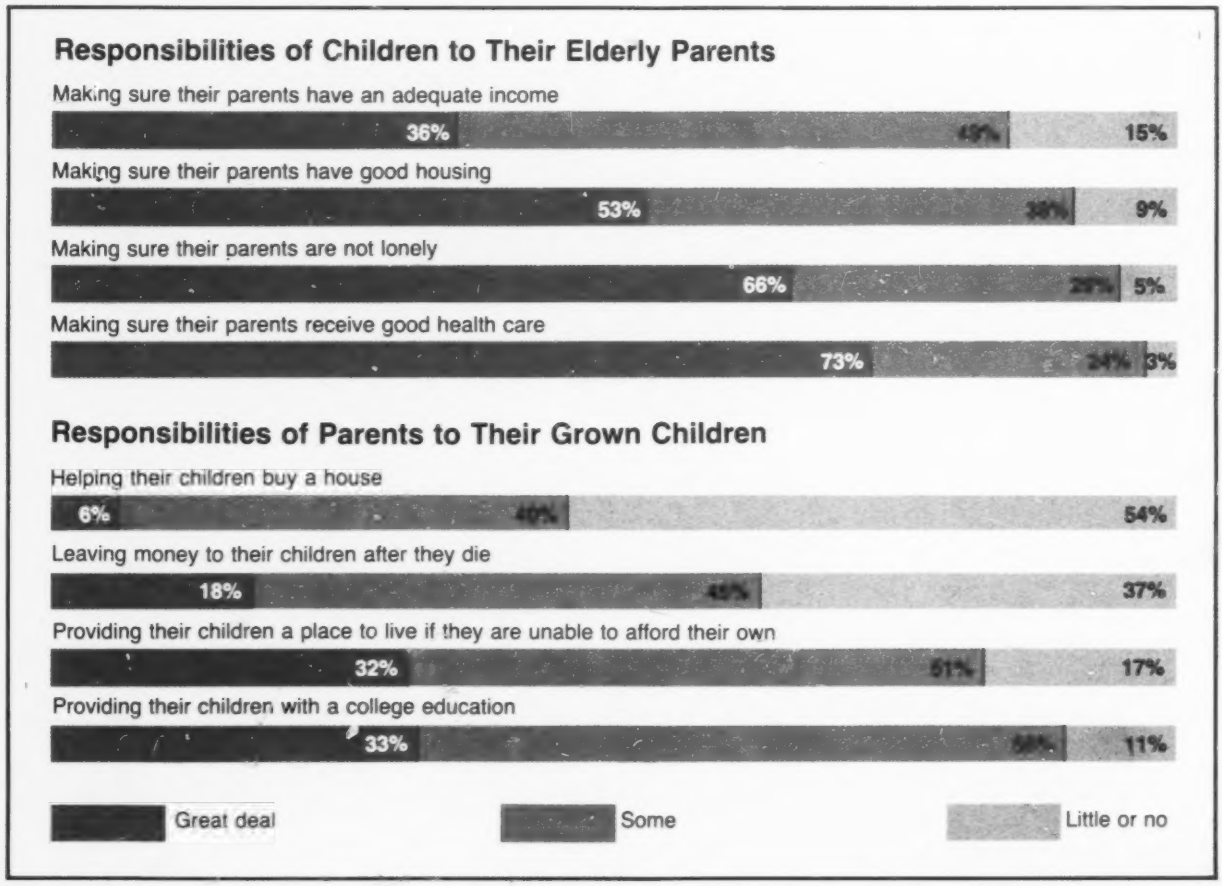
Do you know your consumers?

Why are mass marketers glancing back at a once faithful consumer base . . . and finding no one there? No one they recognize, that is.

Some have gone so far as to herald the phenomenon 'the disintegration of the mass market.' A closer look reveals that most marketers are just waking to a shift that has been underway for over a decade. Two recessions have sharpened the differences in attitudes and lifestyles. That mythic image of a mass market — a vast conglomeration of like-minded, *like-buying* consumers — is no longer an apt metaphor for American society.

But while the differences are becoming more perceptible, certain underlying assumptions still bind the majority of American consumers. The old standards by which marketers determined that 'mass market' were the middle income range, the traditional family structure, the 'keep up with the Joneses' social and material pressures. These, as Yankelovich, Skelly and White pointed out in 1980, no longer reflect the concerns of most Americans.

Instead, the majority of Americans are united in their concern for themselves. Not a 'Me Generation', as it was called in the 1970's — the search for internal fulfillment. It is a percep-



Selected Social Values by Age and Political Ideology

	AGE				POLITICAL IDEOLOGY		
	18-22	23-27	28-32	33-36	Liberal	Moderate	Conservative
% that would welcome more acceptance of sexual freedom	50	41	40	29	55	40	33
% approving of unmarried adults of the opposite sex living together	57	60	60	44	68	59	45
% that would welcome more acceptance of marijuana usage	25	26	27	14	37	23	16

Source: American Council of Life Insurance

Faith Popcorn,
President of BrainReserve.

tion of the world that takes external factors — work, purchases, crime — personally, that seeks self-reflection in surroundings. And while consumers are increasingly keen to have their identity reflected, they are just as eager to emphasize their individual distinctions.

Some marketers, bolstered by the flow of data, are catching on. And they are turning to market researchers to help identify the characteristics of the new, strange breed of American consumers.

The mass market has always been associated with middle income levels. Now, economists and marketers are concerned over U.S. Government figures that show a decrease in that income bracket.

Stephen J. Rose, a Baltimore-based economist, explains the shrinking middle class. While 55% of the population fell between low ($17,000) and high ($41,000) income in 1978, only slightly more than 40% are now middle class, a change he calls alarming. He notes that most of the movement has been downward, and identifies some factors -- households headed by women, who tend to earn less than men.

"This shift in incomes has been underway since the late Sixties. I think it may be gaining critical mass. People are awakening to the idea that things are not the way they used to be.

"For the first time since World War II, people's expectations for their children have changed: they no longer expect that their children will live better than they did."

He ascribes this in part to changes in the standard of living — the saturation of education, for example. This correlation between changes in income and expectations is also due, in part, to the development of a two-tiered service economy.

"You could divide it into day and night, in a way," he explains. There are the information controllers — the managers — who work during the day, and the key punch operators, the fast-food workers, the janitors who work at night."

In the economy as a whole, Rose sees two major trends shaping the consumer. One is the shift in the social structure: the growth and growth rate of single households, which is far greater than that of married households; the increasing disparity in incomes; a greater demand for big ticket items from a minority that is receiving an increasing proportion of income. In the business sector, he points to the transition between a manufacturing economy to a service economy, which has been underway for some twenty years.

Other observers are reluctant to pin behavioral changes on income. Jonathan Robbin, founder and chairman of Claritas, the Washington-based research firm, disagrees with the very notion of a mass market.

"Logistically, it never existed. If you have only one way to reach the market, it is more convenient to deal with it as a mass. But the tools to segment the market have existed for some time." He points to the PRIZM system devised by his firm, which "segments geographically *and* attitudinally."

◀ The individualism noted by market researchers shows up in this attitudes study, part of a report on the baby boom generation, conducted by the American Council of Life Insurance and the Health Insurance Association of America.

Judith Langer, President of Judith Langer Associates.

Rate of new product introductions

	Average 1964-1979	1980	1981	1982	1983
Jan.	64.3	90	85	75	99
Feb.	66.8	74	80	98	139
Mar.	73.7	114	102	104	151
Apr.	81.7	120	122	113	140
May	80.6	118	149	142	169
June	76.0	122	144	152	178
July	69.9	94	109	141	181
Aug.	70.8	87	92	129	148
Sept.	78.5	89	93	120	136
Oct.	79.7	121	102	135	142
Nov.	83.1	123	118	158	161
Totals	825.1	1,152	1,193	1,367	1,644

Source: Dancer Fitzgerald Sample

"It's a problem for those who aren't geared up for the approach, but it's really only a matter of time before everything turns on distinctive selling. It makes economic sense.

"Increasing income inequality is a myth," he says, citing government statistics in turn. "I don't see the numbers justifying those claims." Reading from the P60 series, number 129 of government income studies, he points out that the top 5% had a 17.5% share of income in 1955, a 17.2% share in 1969, and a 17.4% share in 1979.

More significant changes, according to Robbin, occur when people move, when the composition of occupations changes, when people's status changes. Of the disintegration of the mass market, he says simply, "people are beginning to realize that there never was one. The tools they had in hand then, the structure of the media, advertising, all forced the notion of the mass market.

"Now, we are more successful in segmenting our marketing efforts. And there are no products that are flat — that have no profile at all. Any product is bought more by one than another. What we are seeing is the evolution of procedure, of marketing strategy and of our capabilities."

This is an opinion echoed by Fabian Linden, who heads up the Conference Board, a New York-based consulting firm. Linden, however, takes the argument a step further: "There has been no grand change in segmentation of the American consumer population. The market has always been segmented, to no greater or lesser extent than now."

He adds that the market may, in fact, be less segmented now than twenty years ago, since a greater number of people have more in common — education, cars, television.

"This," referring to the notion that the composition of consumers may be altered by the disappearance of the mass market, "sounds to me like that 'Me Generation' idea. A trite platitude that becomes prevalent. These are nothing more than popular concepts that people keep talking about as if they have any meaning.

"I see that the market changes, but it is the continual flux and flow of demographic and social changes." He adds that he is more interested in "genuine, measurable changes" that describe the market more accurately: the growth rate of the 35-44 segment, for example.

"It's not as transcontinental an idea, but a good deal more real."

Like Linden, Faith Popcorn, president of the New York-based BrainReserve, feels that consumers will be more united than segmented in the next decade.

Consumers, she says, are more aware of what they want and of the way products are marketed: "What started out as Naderism is going to become a consumer revolution." This 'Conscious Consumer' is not unique to any income or social segment.

"Products will have to prove their effectiveness. The new standard will be whether it works or not." This, she notes, creates different demands on established products. Consumers have been exposed to hard sell and soft sell — now, she says, they want real sell.

In the absence of any group, the demand for more information has been "expressed individually." She notes that the same dissatisfaction that her respondents have expressed in terms of consumption, extends to social needs as well.

Concern over crime, for example, tends to be expressed in personal or individual terms, like "this could happen to me," rather than within the social framework ("the government can/should take care of this"). Dr. Ruth

Continued on page 142

BBDO

Arnie Semsky, executive vp, director of media and programing services

Dodge (MTV, WTBS, ESPN, TNN)
Pillsbury (CBN, WTBS)
American Cyanamid (ESPN, WTBS, Lifetime)
Wrigley (WTBS, CNN, MTV, USA, BET)
Campbell (WTBS, USA)
Armstrong (USA)
Stroh's (WTBS, USA, MTV, TNN)
Pepsi (MTV, USA, ESPN, BET)
Firestone (ESPN, WTBS)
Dean Witter (ESPN, CNN, FNN)

Estimated billings in cable:
1983: $15 million
1984: $17 million

CUNNINGHAM & WALSH

Frank McDonald, executive vp, director of media and mktg. services

Mitsubishi Motors (ESPN, MSG)
Folgers Coffee (CBN, CNN, WTBS)
Actrix Corp. (WTBS)
Ricoh of America (CNN, WTBS)
Blue Nun (ESPN, USA, CNN, WTBS)
Sterling Drug (CBN, MTV)
Quantas (Undetermined)
Pendleton Mills (CNN, ESPN)

Estimated billings in cable:
1983: $2.5 million
1984: $3 million

DANCER FITZGERALD SAMPLE

Allen Banks, sr. vp, media director

Florida Citrus
Duracell
GM
Hanes
L'Eggs
Lifesavers
Lorillard
Parker Bros.
Peter Paul
Procter & Gamble
R.C. Cola
Simplicity Pattern
Toyota
Wendy's
Wrangler
Cable networks used include: CNN, WTBS, Lifetime, ESPN, MTV, TNN Network, USA, WEATHER

Estimated billings in cable:
1983: $12 million
1984: $15 million

KENYON & ECKHARDT

William Tennebruso, senior vp, director of corporate media services

Ocean Spray (WTBS)
Chrysler (CNN, USA, ESPN, Lifetime)
Prudential Bache (FNN, ESPN, Business Times, ESPN)
Holiday Inn (ESPN, USA)

Estimated billings in cable:
1983: $11 million
1984: $7 million

DOYLE DANE BERNBACH

Jay James, senior vp, video technology

Atari (MTV, USA, ESPN, local)
American Greetings (local)
Borden (local)
Bulova (CNN)
Carteret Savings & Loan of New Jersey (local)
Celestial Seasonings (Lifetime)
Chanel (MTV, Telefrance)
Columbian Coffee (CNN)
GTE (CNN, ESPN, Business Times, local)
Hershey (MTV, local)
Hyatt Legal Services (local)
IBM Corp. (Business Times, CNN, WTBS, ARTS, BET, local)
IBM Informations Systems Group (ESPN, WTBS, local)
Foodways (local)
Mobil (USA, ESPN, BET, Lifetime, local)
Murjani (local)
Procter & Gamble (local)
Ore-Ida (WTBS, CNN, Lifetime, CBN, local)
Paul Masson Wines (ESPN, USA, CNN, local)
Porsche-Audi (USA, Business Times, local)
Seagram (National Jewish Television)
Steak-Umm (WTBS, CNN, Lifetime)
Sylvania (ESPN, local)
Teledyne Water Pik (CNN, Lifetime)
Universal Pictures (MTV, USA, ESPN, CNN, BET, TNN, local)
Volkswagen (USA, ESPN, local)
Weight Watchers (Lifetime, USA, CNN, local)

Estimated billings in cable:
1983: $10.6 million
1984: $14 million

N W AYER

Marcella Rosen, senior vp, media director

Seven-Up (MTV)
AT&T Corporate (Business Times, CNN, WTBS, C-SPAN, USA)
AT&T Communications Residence (CNN, WTBS, ESPN)
U.S. Army (ESPN, USA)
Lucite (ESPN)

Estimated billings in cable:
1983: $2.1 million
1984: $3.1 million

COMPTON ADVERTISING

Steve Fajen, senior vp, media director

Procter & Gamble (WTBS, CNN, CBN, Lifetime Hearst/ABC)
Thompson Medical (WTBS, CHN, CBN, USA BET)
Johnson & Johnson (CNN, WTBS)
National Enquirer (WTBS, WOR, WGN)
British Airways (Business Times, MTV)

Estimated billings in cable:
1983: $7.1 million
1984: $10 million

SSC&B

Jack Otter, senior vice president, director of network programing

Mennen(ESPN) Noxell (USA, MTV, WTBS)
Carnation (WTBS and CHN)
Steak & Ale (WTBS)

Estimated billings in cable:
1983: $2.7 million
1984: $4 million

TED BATES

Walter Reichel, senior vp, executive director, media and programing

Prudential
M&M/Mars
Kal Kan
Carter-Wallace
General Foods
ITT/Continental
Nivea
Colgate-Palmolive
Cinemax
Home Box Office
Mobil
Cable networks used include: ESPN, MTV, Nickelodeon, CBN, WTBS, CNN, USA, Lifetime, BET and local

Estimated billings in cable:
1983: $4.5 million
1984: $8.2 million

BENTON & BOWLES

Phil Guarascio, senior vp, director of media management

Pinkerton (WTBS)
Digital Equipment (ESPN, WTBS, USA)
Texaco (local)
Corning Glassworks (Lifetime)
Showtime (MTV, local)
Procter & Gamble (WTBS, CNN, USA, BET, various other networks)
General Foods (WTBS, CNN, CBN, Lifetime, local)
Richardson Vicks (MTV, Lifetime)
Nabisco (CNN)

Estimated billings in cable:
1983: $10 million
1984: $11.5 million

LEO BURNETT

Ken Lane, senior vp, director of media services

Allstate
Keebler
Kellogg
McDonald's
Memorex
Nestle
Oldsmobile
Pillsbury/Green Giant
Procter & Gamble
RCA
Star-Kist
Union Carbide
Union Oil
United Airlines
Wilson
Systems used (WTBS, CNN Headline ESPN, USA, Weather, MTV, Lifetime, BET SNC, and local systems)

Estimated billings in cable:
1983: $7 million
1984: $8.5 million

CAMPBELL-EWALD

Duane Kell, senior vp, director of broadcast media

Goodyear
Chevrolet
Eastern
Burroughs
AC Delco
GMAC
National Car Rental
Cable networks used include: ESPN, FNN, USA, SNC, WTBS, CNN, CNNHN, Lifetime, ARTS, WEATHER, CBN, MSG and local.

Estimated billings in cable:
1983: $10 million
1984: $15-$20 million

FOOTE, CONE & BELDING

Frank Gromer, senior vp, national director of media

Alaska Tourism
ARCO
Armour-Dial
Bermuda Dept. of Tourism
Clorox
Coors
Dole
Embassy Pictures
First Interstate Bank Corp.
Kimberly-Clark
Swift & Co.
Levi-Strauss
MCA Recreation
Mazda
Pacific Telephone
Pizza Hut
Sears
Stokely-Van Camp
Sunkist Growers
Kraft
Temple University
Wallpapers-To-Go
Zenith
Cable networks used but not specified by client include: WTBS, CBN, CNN, USA, ESPN, MTV, SNC, WEATHER

Estimated billings in cable:
1983: $12 million
1984: $18 million

WELLS RICH GREENE

Bob Geis, senior vp, director media

Procter & Gamble
Ford
Chase Manhattan
Pan Am
Miles Laboratories
The Gap
Cable networks used include: CNN, WTBS, MTV, Lifetime, FNN, ESPN.

Estimated billings in cable:
1983: $5 million
1984: $10 million

GREY ADVERTISING

Alec Gerster, executive vp, director of media programing

American Council of Life Insurance (CNN)
Block Drugs (WTBS, ESPN, INN, CHN, CNN)
Borden (WTBS, ESPN)
Carter Wallace (WTBS, ESPN, USA, MTV)
Canada Dry (CNN)
Esmark (CHN, SPN)
General Foods (CHN, ESPN)
Izod (ESPN)
Kenner (SIN)
Mennen (SPN, SIN)
Panasonic (MTV)
Questor (SPN)
Remington (WTBS, CNN)
STP (WTBS, ESPN)
Timex (ESPN, INN)
Warner Bros. (MTV, USA, SIN, ESPN, WTBS)
3M (ESPN)

Estimated billings in cable:
1983: $5.6 million
1984: $6.5 million

D'ARCY, MACMANUS MASIUS

Dick Simon, vp, assoc. dir., corporate broadcast

Mars (MTV, ESPN)
Anheuser-Busch (ESPN, BET, MTV, SIN, WTBS)
Cadillac (ESPN, USA)
Pontiac (ESPN, USA)
CPC (local)
Whirlpool (WTBS, CNN)

Estimated billings in cable:
1983: $15.4
1984: $19.5

OGILVY & MATHER

Ken Caffrey, senior vp, executive dir., media operations

AT&T Information Systems
American Express
Campbell Soup
Columbia Pictures
Esmark (International Playtex)
Ex-Lax Chocolate
General Foods
Hershey
Kimberly-Clark
Mattel
Menley & James Labs
Owen-Corning Fiberglas
Shell Oil
Publishers Clearing House
Cable networks used but not specified by client include: USA, ESPN, MTV, Lifetime, CNN, WTBS.

Estimated billings in cable:
1983: $9 million
1984: $11 million

NEEDHAM, HARPER & STEERS

Wes Dubin, senior vp-broadcast

Dorsey Labs
Quasar Elect.
Sears
State Farm Insurance
Shasta
Rubbermaid
Kraft
G.D. Searle
Clorox
General Mills
Xerox
Honda
Amurol
Cable networks used include: CNN, CBS, SNC, Lifetime, ESPN, WTBS, USA, BET, FNN, SPN, TNN

Estimated billings in cable:
1983: $6.4 million
1984: $8.3 million